GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5097
ANSWERED ON:25.08.2000
NOMINATED DIRECTORS IN GOVERNMENT FINANCIAL INSTITUTIONS
RATTAN LAL KATARIA

Will the Minister of FINANCE be pleased to state:

(a) the number of Directors have been nominated in the various Government Financial Institutions during the last three years;

(b) the amount of loan sanctioned to each fo such nominated Directors during each of the last three years:

(c) the number of such nominated Directors have become defaulters; and

(d) if so, the steps taken by the Government to recover the ioan from defaulters ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB V1KHE PATIL):

(a) During the last three years the Central Government has nominated four part-timenon-official directors on the Board of All India financial institutions.

(b) and (c) In accordance with the practice and usage customary amongst the banks and in conformity with provisions of statues governing the financial institutions as also the provision of the Public Financial Institutions (Obligations as to Fidelity and Secrecy)Act, 1983 the information, in respect of the constituents of the public financial institutions cannot be divulged.

(d) The financial institutions have formulated both short-term and long-term action plans in order to tackle the problem of defaults.